SAIL consolidates its financial results on half yearly and annual basis. Hence, profit position will be know after expiry of six months/year of the current financial year.

(b) During the years 1994-95, 1995-96 and 1996-97 SAIL imported "Low Ash Metallurgical Coking Coal" of prime quality as a quantitative and qualitative supplement to the indigenous coking coal from Australia, New Zealand and China to meet the total requirement of Steel Plants.

* Subject to CAG Audit.

The quantity of Coal imported by SAIL and total value was as follows:

Qty.: In Million Tonnes
Value: Rs. in Crores

		1994-95	1995-96	1996-97
1.	Quantity	5.385	5.685	6.61
2.	Value including freight	1023.8	1273.8	1565.5

(c) The quantity of coal purchased from Coal India Limited (CIL) is given below:

Qty: In Million Tonnes

Year	Coking Coal	Non-Coking Coal
1994-95	8.76	4.26
1995-96	9.04	4.10
1996-97	7.81	4.54

Difference Between Management of VSP and Andhra Pradesh Government

595. SHRI YERRA NARAYANASWAMY: Will the Minister of STEEL be pleased to state:

(a) what are the differences of opinion between management of Visakhapatnam Steel Plant and Andhra Pradesh Government on the Gongavaram Port;

(b) the details thereof; and

(c) the acreage of land in question?

THE MINISTER OF STEEL AND MINISTER OF MINES (SHRI BIRENDRA PRASAD BAISHYA): (a) There is no difference of opinion on the need to develop a minor port at Gangavaram between the management of Visakhapatnam Steel Plant and the Government of Andhra Pradesh.

(b) Does not arise.

(c) Exact quantum of land required for development of a minor port will be known on completion of mutual consultations presently in progress.

Production of Steel at Visakhapatnam Steel Plant

596. SHRI YERRA NARAYANASWAMY: Will the Minister of STEEL be pleased to state:

(a) what is the annual production of steel at Visakhapatnam steel plant;

(b) what is the capacity;

(c) whether there is a proposal to improve productivity of V.S.P.; and

(d) if so, details thereof?

THE MINISTER OF STEEL AND MINISTER OF MINES (SHRI BIRENDRA PRASAD BAISHYA) (a) The annual production of steel at Visakhapatnam Steel Plant for the last three years is given below:

(In million tonnes)

Item	1994-95	1995-96	1996-97
Liquid Steel	1.9	2.3	2.4
Saleable Steel	1.5	2.1	2.1

(b) The annual installed capacity of Visakhapatnam Steel Plant is 3.0 million tonnes of Liquid Steel and 2.6 million tonnes of Saleable Steel.

(c) Yes, Sir.

(d) The steps proposed to be taken to improve the productivity of V.S.P. are as under:—

(i) Introduction of Pulverised Coal Injection and Oxygen Enrichment in Blast Furnace.

(ii) Usage of less Ash Coke in Blast Furnace.

(iii) Increase in Converter life.

(iv) Introduction of automation system in Continuous Casting Department.

(v) Removal of bottlenecks in GCM areas by providing and installing Gega Cutting Machines.

(vi) Introduction of Combined Blowing and Slag Splashing system in Converter.

(vii) Changing and improved design of guides.

Supply of poor quality rails by SAIL

597. SHRI GURUDAS DAS GUPTA:
SHRI GAYA SINGH:

Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that about 32,000 tonnes of rails supplied to Railways by SAIL was found to be cracked;

(b) if so, the details of the annual supply of rails by SAIL to Railways;

(c) whether any enquiry has been conducted to ascertain the reason for the defects in the rails supplied to Railways; and

(d) if so, the details thereof and action being taken if any, thereon?

THE MINISTER OF STEEL AND MINISTER OF MINES (SHRI BIRENDRA PRASAD BAISHYA) (a) About 47,000 pieces of rails were supplied to the Railways at 14 destination points from 1st to 28th January, 1997. Out of these, only 26 pieces of rail were reported to have cracked and that too mostly in one consignment at Kalyan Flash Butt Welding Plant. For the further enquiry/investigation into the cause of this isolated instance of rail breakage, Railways took a decision not to use the entire consignment of rails sent to them from 1st to 28th January, 1997.

(b) SAIL supplied 4.07 lakh tonnes of rails to Railways at different destinations in 1996-97.

(c) and (d) A detailed investigation was conducted along with the Railways. This investigation revealed that the bulk of the rails supplied during the month of January were processed through the existing straightening machine. Out of the small portion that was processed through the new bi-planner, straightening machine, it appears that a few rails were perhaps inadvertently over stressed during trial run of the machine on 18th and 19th January, 1997. This over stressing coupled with multiple handling during loading, unloading and transportation caused the crack to develop and be visible only after the rails reached the destination point and were being processed for use. Operation of the new machine was temporarily suspended and a thorough technological evaluation was conducted along with the Railways to determine safe operating regime for this machine. After obtaining clearance from the Railways, operation of the machine has been resumed. Also action has been initiated jointly with the Railways to release the held-up rails and deploy them for service. This issue was examined in the Ministry in consultation with SAIL and the Railways. A time bound, point-wise, action plan was decided upon for remedying this situation.

Steel Production as a profit earning industry

598. SHRI IQBAL SINGH: Will the Minister of STEEL be pleased to state:

(a) whether steel production sector in the country has been developing as a profit earning industry for the last three years;